

The complaint

Mr D is unhappy that Monzo Bank Ltd decided not to refund him after he was the victim of a scam.

Mr D is using a professional representative to bring his complaint. I'll refer to them as W.

What happened

Mr D fell victim to a scam where he thought he was arranging a work visa in residential care, for his wife. Mr D made two payments of £3,000 each in August 2023. But after making the payments he could no longer reach the person he'd been dealing with and realised he'd been scammed.

Mr D reported the scam to Monzo in September 2023. He initially said his phone was taken by a friend who made two transfers he didn't recognise. But later explained that he made the payments as part of a visa scam.

Monzo said it wouldn't be refunding Mr D. It said although it wasn't a signatory to the Contingent Reimbursement Model (CRM) Code, it had considered his scam claim in line with the principles of the code. But Mr D did not take sufficient steps to verify the legitimacy of who he was paying and what he was paying for. It said it acted in line with Mr D's payment instruction and it did not agree it had breached any duty of care to Mr D.

It said there was an in-app warning when entering a new payee and a confirmation of payee check was made. And it attempted to recover the funds, but this was unsuccessful. W brought the complaint to our service on behalf of Mr D.

One of our investigators looked into things he said he didn't think Mr D had a reasonable basis of belief when making the payments.

He concluded that applying the CRM code it ought to refund Mr D for 50% of his losses, plus 8% from the date it declined the claim to the date of settlement.

Mr D accepted the investigators findings and recommendation, Monzo did not. It said:

- A £3,000 payment is not an exceptionally large payment and its value alone isn't enough to be a cause for intervention. And these were within Mr D's daily spending limit.
- It agreed with the finding that Mr D did not have a reasonable basis of belief when making the payments.

My initial assessment

As both parties didn't agree the complaint was passed to me to consider. When reviewing the complaint, I wasn't satisfied that Mr D had provided evidence of the source of the funds that were used for the scam. The scam payments were funded by a series of cash deposits which Mr D could not provide any persuasive or supporting evidence of.

Mr D has evidence that he deposited £10,000 in cash into another of his bank accounts, before moving £3,000 to his Monzo account and partially using these funds towards the scam. He says he brought this cash with him from another country but has not provided any evidence to support this. And, given the value of the cash, I think it's reasonable that Mr D should have some evidence to support this statement, but this hasn't been forthcoming despite my requests.

There was also a transfer of £3,000 into Mr D's Monzo account which I can see is funded from another of Mr D's bank accounts, the source of those funds has not been provided by Mr D. It appears as though Mr D may have another bank account, where some of these funds were passed through, but he has not provided statements of this account, despite my requests for this.

At the same time as the scam, Mr D received a £6,060 credit from an individual and then returned £6,000 – keeping £60. The payment is referenced “work”. I asked Mr D about this payment, and he says he was owed £60, and the overpayment was a mistake – he hasn't provided any evidence that supports this version of events. He has provided a message sent to this individual, but that doesn't match the version of events he's given, and he's not provided context for the messages that were exchanged between them.

As Mr D could not provide evidence of the source of these funds and therefore if the loss was truly his, I informally let Mr D, and his representatives know, that I would not be upholding this complaint unless further evidence could be provided to establish that the loss was Mr D's.

Mr D responded to say the money exchanged between him and individual was unrelated and the individual was a university friend. He said he had no other bank accounts and the cash he deposited was brought with him, from another country.

Mr D's representatives are no longer representing him, and I've received no further documentation or evidence from Mr D so I'm proceeding with a final decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

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Having done so, I'm reaching the same outcome that I have already informally communicated with Mr D (and at the time his representatives).

Despite my repeated requests and extended timeframes for evidence of the source of funds from Mr D, I have not seen any persuasive evidence that would lead me to safely conclude the loss was in fact his. He has provided conflicting information and evidence about the transfer of funds between him and another individual. And he has not provided persuasive evidence for the source of the cash funds. Or the additional £3,000 transfer which originated from a different account in his name. Overall, I'm not persuaded I have been provided with all the relevant information here by Mr D.

And therefore, it would not be fair and reasonable for me to conclude that Monzo ought to refund Mr D in this instance.

My final decision

I do not uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 21 August 2025.

Sophia Smith
Ombudsman